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**Recent Soviet Activity in the South Pacific****Summary**

Following a decade of stalled economic and political initiatives aimed at the nine independent South Pacific island states, changing regional circumstances are providing a somewhat more fertile ground for Soviet material offerings. Altered regional economic conditions and perhaps more skillful Soviet targeting, for example, may help Moscow to conclude fishing agreements with Kiribati and Tuvalu sometime over the next twelve months. If the Soviets succeed, they may then be able to make economic inroads among the other states. This would further Moscow's objectives by denying the area to the

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West, Japan, and China as a zone of exclusive influence and by ensuring Soviet access to local fish resources. Meanwhile, Soviet handling of the New Caledonia succession movement suggests that Moscow's political initiatives are likely to remain limited. Nevertheless, continued disagreements over military matters within the ANZUS treaty framework may encourage the Soviets in the near term to step up their efforts to foster the growth of local antinuclear sentiments and to actively use surrogates to forge new links with South Pacific states. [REDACTED]

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#### Moscow's Goals

The area occupied by the nine independent island states of the South Pacific occupies a low priority in Soviet strategic calculations and has not been targeted as part of the Soviet military buildup and modernization in Asia over the past two decades. Soviet intelligence collection activities, however, indicate that ANZUS military activities and French nuclear testing remain of considerable interest. Moscow's regional objectives include:

- Establishing an economic and political presence in the area over the near term to deny the West, Japan and China a zone of exclusive influence.
- Gaining access to offshore fish resources in the near term, owing to a projected rise in Soviet fish consumption, Moscow's increased long-distance fishing capabilities, and the limits imposed on Soviet offshore fishing by developed states.
- Nourishing indigenous antinuclear sentiments to build support among

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the island states for a highly restrictive variant of a South Pacific nuclear-free zone. [redacted]

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We judge that the Soviets are not prepared to pay a high price for increased influence, given the region's minimal importance for Soviet global concerns. Consequently, Soviet tactics focus on low-cost targets of opportunity. [redacted]

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### Soviet Economic Activities

Soviet economic offerings to South Pacific island states between 1976 and 1980 were checked by modest increases in aid from traditional donors and the reluctance of newly independent island governments to deal with Moscow. The invasion of Afghanistan and the KAL shootdown fueled the islanders' political antipathy towards the USSR, and until last year Moscow apparently had decided that any new economic initiatives were bound to be rejected out of hand. Currently, however, memories of previous Soviet transgressions are fading. Moscow now appears poised to exploit growing tensions between the US and the economically vulnerable South Pacific island states over maritime issues--especially tuna fishing--with proposals for fisheries cooperation. [redacted]

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The Soviets also discussed a fishing agreement with Kiribati sometime last fall and the two sides held their first negotiating session early this year. Moscow rejected Kiribati's proposed licensing fee as too high, while pushing for broader port access--including onshore facilities--modeled on Soviet fishing agreements with other Third World countries.

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Other recent Soviet economic offerings have met with less success, apparently due to a continuing political antipathy towards the USSR. For example, despite the depressed state of the world sugar market, Fiji last year rejected Soviet proposals to transport its sugar aboard Soviet ships at concessional rates and to purchase the sugar at above-world-market prices. In 1984, Fiji and the Solomon Islands both rejected Soviet fishing proposals. Papua New Guinea, with a wealth of natural resources, is still temporizing on its response to last year's Soviet reformulation of Moscow's earlier (1979) proposal for a joint fisheries venture involving offshore fishing rights in exchange for the construction of an onshore cannery plus license fees. Moscow's proposal for a hydrographic and meteorological program in the South Pacific to the regional Committee for the Coordination of Joint Prospecting for Mineral Resources in the South Pacific (CCOP/SOPAC) last year

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substantially repeated earlier offers. [redacted] 25X1

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### Political Initiatives

Moscow continues to make low level political overtures to the island ministates but has yet to display a sustained interest in such endeavors or a willingness to commit substantial resources. Efforts to sound out Vanuatu on the prospects for establishing diplomatic relations in late 1983 and early 1984, using the Soviet journalist Victor Louis, were sidetracked owing to General Secretary Andropov's illness and death. When the Soviet ambassador to Australia finally managed to get a visa for a private visit to Vanuatu last spring, the prime minister and other high foreign affairs officials studiously avoided any meetings. To date Vanuatu--the only nonaligned state in the region--has adhered rigorously to its interpretation of nonalignment as keeping one's distance from both superpowers. [redacted] 25X1

For the larger and more important island states such as Fiji, the Soviets are trying to multiply cultural and educational exchanges--presumably to create a better atmosphere for expanded political ties. Last fall, Moscow sought official Fijian representation at several international events to be held in the USSR in late 1984 and early 1985. But the Fiji government has adhered to its policy of not participating in any events on Soviet territory and last summer refused to honor the request of the Soviet ambassador for a meeting. [redacted] 25X1

The Soviets have provided limited propaganda support for the separatist movement in New Caledonia. Soviet officials in Canberra reportedly met with a separatist leader in late 1983 and a Kanak representative may have stopped over in Moscow during a year-end trip abroad. Early this year, the Soviets

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and their East European allies made it clear to Fiji officials that they favor an independent, socialist New Caledonia. We have no evidence, however, of Soviet material support for the separatists. For the present, Moscow appears content to lay the groundwork for forging closer ties should the secessionist movement succeed. [redacted]

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Moscow continues to give extensive media play to anti-nuclear sentiments in the South Pacific island states, but again we have no evidence to suggest direct or indirect Soviet material or organizational assistance. The Soviet press remains critical of US policy in Micronesia, alleging de facto annexation and militarization of the Pacific Island Trust Territories. Soviet offers of scholarships for South Pacific nationals since the mid-1970s, however, have found few takers. Nor is there evidence in hand to suggest that Moscow has made headway in establishing local front groups or influencing the South Pacific media. [redacted]

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### Constraints

We judge that a number of limitations on expanded Soviet influence in the region continue in force, including:

- The pro-Western orientation of most of the ministates since independence.
- The continued influence of pro-Western opinion leaders such as Fiji.
- The strength of local Christian churches.
- A continued flow of aid from the West and Japan.

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The goodwill the US built up in the region during World War II apparently remains an important factor, giving US economic assistance a large multiplier effect. [redacted]

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Moscow meanwhile has established diplomatic ties with only four of the nine states--Fiji, Papua New Guinea, Tonga and Western Samoa--and still has no resident missions. The Chinese, by comparison, have embassies in three states (Fiji, Western Samoa, Papua New Guinea) and modest aid programs. Local trade union bodies on the whole remain resistant to Soviet penetration, despite ongoing visits to Moscow and East Europe by South Pacific officials. [redacted]

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#### Outside Actors and Soviet Interests: Vietnam and, Cuba

Two of Moscow's close allies, Vietnam and Cuba, maintain diplomatic relations with Vanuatu and have hinted at closer ties, although both thus far maintain only low-profile relationships. Vietnam, for example, took over two years to accredit a non-resident ambassador to Vanuatu following diplomatic recognition in early 1982. Hanoi currently seeks to establish diplomatic ties with Fiji, following an approach last summer regarding exchanges for health care delivery programs. [redacted]

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To date, however, we have no evidence to suggest concrete steps by Hanoi to forge links to the South Pacific island states. Vietnam's internal economic difficulties probably preclude the allocation of major resources to military or economic aid programs for the region, and Moscow's own assessment of the South Pacific as a low priority area apparently minimizes Soviet interest in using the Vietnamese as a conduit. Problems of distance,

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transportation, and poor communications--as well as the absence of a fit between the Vietnamese and the South Pacific economies--also makes close bilateral economic ties unlikely for the near future. [redacted]

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Cuba has had diplomatic relations--but no resident mission--with Vanuatu since early 1983. Official contacts over the past two years, nevertheless, have been extremely rare. [redacted]

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### Prospects

If targets of opportunity increase and signs of strains in US security relationships with New Zealand and Australia multiply, Soviet assertiveness in the South Pacific region probably will rise. Moscow almost certainly will be quick to try and turn recent criticism of US actions by South Pacific forum members such as Papua New Guinea to its propaganda advantage. Modest aid offerings from Moscow or its allies, sustained efforts to forge links with local political officials, proposals for cultural exchanges, and Soviet material or organizational assistance to local antinuclear forces--either singly or in combination--would serve as warning indicators of increasing Soviet interest in the region. [redacted]

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We judge that changing circumstances already provide more fertile ground for Soviet economic offerings than at any time since the island states gained their independence in the 1970s. Other trends that probably would provide

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opportunities for Moscow include:

- Increased perceptions of local economic vulnerabilities by ministates such as Kiribati and Tuvalu, arising out of ongoing trade imbalances, growing budget deficits, a sense of limited economic alternatives, and pessimism about the prospects for increased Western aid.
- A rising sense of economic nationalism, as reflected in the recent threat by the Solomon Islands to withdraw from regional fishing negotiations with the US until Washington agreed to remove the tuna embargo on Solomon Island products imposed in the wake of the August 1984 seizure of a US tuna boat.
- Differences between the US and its Antipodean allies over security matters that, as perceived by the island states, may weaken the region's military links to the US and will almost certainly produce new pressures from local antinuclear activists to close ports and waterways to US warships possibly carrying nuclear weapons.

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The Soviets meanwhile will continue to urge South Pacific governments not to allow political differences to stand in the way of mutually profitable economic ties. Moscow almost certainly will renew its offers of fishing agreements to those island states, Fiji and the Solomon Islands, that rejected them only last year. If the Soviets successfully conclude fishing agreements with Tuvalu and Kiribati in the near future, as now appears likely, this almost certainly will prompt other ministates in the region to rethink their previous political objections. To date we have seen no awareness or concern

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on the part of South Pacific island officials regarding economic drawbacks to fishing agreements with Moscow--as are evidenced, for example, in disputes between the Soviets and African LDCs over Soviet overfishing and broken aid promises. Should such concerns arise, the Soviets might then try to sweeten the package with modest aid offerings. [redacted]

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We believe the Soviets will likely maintain a low diplomatic and military profile in the region, relying on expanded economic ties to improve their access and further their objectives. Open contacts and material assistance to the Kanak secessionists, for example, probably will not be forthcoming. But covert activities, or the use of Cuban or Vietnamese surrogates, cannot be ruled out. Nevertheless, to date Soviet surrogate activity remains highly circumscribed throughout the region and has been limited largely to rather offhand verbal offers. [redacted]

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